

January 3, 2018

LeAnn Johnson Koch  
LeAnnJohnson@perkinscoie.com  
D. +1.202.654.6209  
F. +1.202.654.9943

**VIA ELECTRONIC MAIL**

Umesh P. Dholakia  
USEPA Region 2  
290 Broadway  
Mail Code: 25th Floor  
New York, NY 10007-1866

**Re: Limetree Bay Terminals – Follow-Up Information on Refinery Restart**

Dear Umesh:

Thank you for your email of December 21<sup>st</sup>. Per your request, Limetree Bay Terminals (“LBT”) is providing information pertinent to EPA’s reactivation policy for the existing refinery process units that were idled rather than the stationary source as a whole. Your email requested, at a minimum, the information listed as items 1 and 6 in your email. We’ve been able to quickly compile information responsive to items 1-3 and 6.

With respect to item 1, concerning the absence of statements of intent to permanently shut down, LBT is not aware of any statement, press release, or correspondence by HOVENSA indicating that HOVENSA intended to permanently shut down the refining operations, and LBT has not made any statement, issued any press release, or sent any correspondence indicating that it intended or intends to permanently shut down the refining operations.

As described in greater detail in the timeline below, we have compiled statements, press releases, and correspondence demonstrating that both the owners and the Government of the Virgin Islands (“GVI”) expected and intended for refining operations to resume. First, HOVENSA carefully idled and then maintained the idled refining units; retained all of the necessary permits to operate the idled units; commented on rulemakings pertinent to the operation of the refinery; contractually agreed to seek buyers willing to pursue restart; continued to treat the facility, for all regulatory purposes, as a refinery, complying with regulatory requirements applicable only to refineries (e.g., RMACT, NSPS subpart J and RCRA); and juggled the Consent Decree obligations to avoid surrendering the permits needed to operate the idled refinery units. When LBT acquired the facility from HOVENSA in January 2016, it contractually agreed to study restarting the refinery, and shifted the focus from maintaining the status quo of the refinery units to actively developing plans for restart.

CONFIDENTIAL BUSINESS INFORMATION

The companies' intent to restart is clear from the actions described above. In addition, each company contractually agreed to facilitate the refinery restart. In HOVENSA's case, the legal obligations stemmed from the Fourth Amendment to the Concession Agreement with the GVI to market the facility to a new owner willing to pursue restart. In LBT's case, it was the Operating Agreement, requiring LBT to conduct a study on restarting the refinery within a discrete period of time. Both documents are described in the timeline below.

The purpose of EPA's reactivation policy is to ascertain whether the shutdown was intended to be permanent. The factors typically applied in the reactivation test exist primarily to test the "bona fides" of statements of intent not to permanently shut down. HOVENSA and LBT demonstrated their intent not to permanently shut down refining operations through their actions, but their actions were then backed up by legal commitments to facilitate restart.

The following timeline responds to items 1, 2 and 6 from your email, concerning the intent to restart the refinery operations and maintenance of major/critical equipment/units. There are many responsive documents not included on the timeline, but we've tried to eliminate redundancy by focusing on a representative subset. One broad category of documents responsive to item 2 – the companies' retention and renewal of permits necessary to operate the refinery units – are covered separately in the response to item 3, below the timeline.

- **January 26, 2011:** HOVENSA announces plans to idle the refinery units on the west side of the facility to improve refinery economics. No statements were made indicating that the shutdown of the refinery units on the west side was intended to be permanent. *See* press release, HOVENSA L.L.C. to Close Some Units and Reduce Crude Oil Distillation Capacity, attached at Tab A.
- **January 18, 2012:** HOVENSA announces plans to idle the refinery units on the east side of the facility and continue terminal operations. No statements were made that the shutdown of the east side refinery units was intended to be permanent. *See* press release, HOVENSA Announces Closure of St. Croix Refinery, attached at Tab B.
- **January 20, 2012:** Letter from GVI asks HOVENSA for information about the shutdown of refining operations. *See* Letter from Commissioner Barnes to HOVENSA, attached at Tab C. HOVENSA responds on February 7, 2012, as noted below.
- **February 2, 2012:** HOVENSA meets with GVI; GVI rejects HOVENSA's proposed amendments to the Concession Agreement to facilitate operations as a terminal and insists that HOVENSA "either restart and operate the refinery or conduct a sale process to sell the business to a purchaser that would engage in refinery operations." *See* September 15, 2015 Hill Certification at paragraph 55, page 25), attached at Tab D.

CONFIDENTIAL BUSINESS INFORMATION

- **February 6, 2012:** Environmental and management teams meet with EPA Region 2 regarding idling of refinery operations. HOVENSA explains plans to retain permits for refinery restart and revision of permits for terminal operations.
- **February 7, 2012:** HOVENSA responds to January 20, 2012 GVI letter indicating that HOVENSA plans to keep permits to facilitate refinery restart, is reviewing Consent Decree for modifications that would allow a resumption of refinery operations, and is developing maintenance procedures. *See* HOVENSA Reply to Commissioner Barnes, attached at Tab E.
- **February 21, 2012:** HOVENSA announces that the shutdown of the remaining refinery units is complete. No statements are made indicating that the shutdown is intended to be permanent. *See* press release, attached at Tab F.
- **March 6, 2012:** Meeting among EPA, USDOJ, DPNR and GVI. HOVENSA indicates that it wants to retain flexibility to restart the idled refinery units because the economic circumstances could change in 2-3 years.
- **March 23, 2012:** USDOJ sends letter to HOVENSA with follow-up questions from March 6, 2012 meeting, asking for more information about the process for idling existing units. *See* USDOJ Letter, attached at Tab G. HOVENSA responds on April 19, 2012, as noted below.
- **April 19, 2012:** HOVENSA responds to USDOJ inquiry detailing its procedures for “idling a process unit” and explaining the steps taken to preserve the condition of the refinery during shutdown with an eye towards a possible return to service. *See* HOVENSA Response to USDOJ, attached at Tab H.
- **August 24, 2012:** HOVENSA submits comments on the proposed rule entitled “Approval and Promulgation of Air Quality Implementation Plans; United States Virgin Islands; Regional Haze Federal Implementation Plan,” regarding conditions that would apply to refinery restart, reflecting its continued interest in restart. *See* Comments of HOVENSA, attached at Tab I.
- **October 5, 2012:** EPA sends letter to HOVENSA indicating that the “idled” state of the refinery is not in compliance with the Consent Decree; it must permanently shut down the refining operations and surrender permits or comply with testing and other requirements of the CD. EPA offers option to negotiate a change to the CD to address the “idled” state of the refinery. *See* EPA Correspondence, attached at Tab J.

- **December 3, 2012:** HOVENSA responds to EPA letter seeking a standstill of the Consent Decree requirements to avoid loss of permits that would inhibit the sale of the refinery for restart. *See* HOVENSA Response to EPA, attached at Tab K.
- **January 30, 2013:** Meeting with EPA on standstill proposal in response to EPA's October 5, 2012 letter; HOVENSA indicates that standstill and retaining permits are imperative to sale and restart of refinery.
- **March 15, 2013:** HOVENSA responds to EPA's January 15, 2013 letter and states that the idling process and procedures used for potential restart met industry-wide major turnaround standards. *See* March 15, 2013 letter to EPA, attached at Tab L.
- **April 3, 2013:** Fourth Amendment to the Concession Agreement is signed providing for a bona fide process to facilitate a sale of the refinery to facilitate restart.
- **July 31, 2013:** HOVENSA submits Consent Decree Semiannual Progress Report for period from January 1, 2013 through June 30, 2013. The report notes that the process units are "being maintained in an idled state in a manner that preserves its existing condition" in the event that the units are restarted. *See* Report at 12, attached at Tab M.
- **November 4, 2013:** Fourth Amendment to the Concession Agreement is ratified and HOVENSA is permitted to operate the terminal while it "undertake[s] a process to locate a buyer that would operate the refinery." *See* Fourth Amendment to the Concession Agreement, attached at Tab N and September 15, 2015 Hill Certification at paragraph 56-57, page 25-26, attached at Tab D.
- **July 22, 2014:** HOVENSA submits comments on Virgin Islands Water Quality Rules revisions, stating that the rules could "imperil any industrial use of the HOVENSA site and will likely adversely affect the sales process and any potential restart of the refinery." *See* HOVENSA Summary Comments, attached at Tab O.
- **July 29, 2014:** HOVENSA submits Consent Decree Semiannual Progress Report for period from January 1, 2014 through June 30, 2014. The report notes, "HOVENSA implemented its procedures for idling all units in a safe and secure fashion," and has been "engaged in a bona fide sales process to identify a purchaser to restart the refinery. *See* Report at 5, attached at Tab P.
- **October 27, 2014:** HOVENSA submits public comments on the Petroleum Refinery Sector Risk and Technology Review and New Source Performance Standards (RSR)

CONFIDENTIAL BUSINESS INFORMATION

proposed rule. The RSR amendments to MACT CC and MACT UUU apply only to petroleum refineries.

- **January 22, 2015:** HOVENSA files its answer to EPA complaint regarding alleged RMP violations in 2010/11. Answer includes clear statement that “the shutdown was an idling of existing covered processes, not the permanent discontinuance of refining operations.” *See* Answer to Complaint, paragraph 39, page 5, attached at Tab Q.
- **July 21, 2015:** HOVENSA submits Consent Decree Semiannual Progress Report for period from January 1, 2015 through June 30, 2015. The report identifies idled refinery units as existing units and expressly contemplates the possibility of a restart once a sale of the refinery assets is complete. *See* Report at p. 5, attached at Tab R.
- **September 15, 2015:** HOVENSA files for bankruptcy. Certification by Tom Hill, HOVENSA Restructuring Officer, is filed with the bankruptcy court. States that some of the refinery operations were idled in 2011 and remaining operations in February 2012; but that in order to facilitate the sale of the refinery, “HOVENSA continues to maintain the refinery facility in an ‘idled’ state, incurring significant inspection, maintenance, and oversight expenses in order to comply with various environmental, operations, and safety regulation and related requirements” ( paragraph 16, page 8). “The idling of the refinery was an extensive – and expensive – process. In undertaking this process, HOVENSA took measures to maintain the necessary permits and licenses so that the oil refinery operation could be restarted in the future.” *See* Certification of Thomas E. Hill In Support of Chapter 11 Petition and First Day Motions (“Hill Certification”), (Paragraph 52, page 23), attached at Tab D.
- **December 1, 2015:** Bankruptcy Court approves sale to LBT. Operating Agreement is signed by GVI and LBT, committing LBT to evaluate restarting the refinery and prevents LBT from taking actions that would inhibit restart. *See* Operating Agreement, at 31-32, attached at Tab S.
- **December 29, 2015:** Legislature approves Operating Agreement with LBT.
- **January 4, 2016:** HOVENSA and LBT execute Asset Purchase Agreement and LBT shifts focus from maintaining the status quo of the equipment to resuming operations of the refinery by retaining experts and engineers to assess the status of the equipment and develop plans for restart including repairs, revamps, reconfigurations, and operations.
- **February 24, 2016:** LBT retains contractor to “assess potential for restreaming all or portions of recently purchased St. Croix Refinery . . . .”

CONFIDENTIAL BUSINESS INFORMATION

- **March 22, 2016:** LBT sends letter to DOJ/ EPA asking for modifications to the Consent Decree discussing the need to avoid surrender of permits to allow LBT time to study restart options. *See* Letter to DOJ/EPA, attached at Tab T.
- **April 27, 2016:** LBT enters Memorandum of Understanding with consultant to conduct study of refinery restart. Consultant performs preliminary evaluation of 20 refinery units, equipment, lines, instrumentation, and electrical, and develops scope of work for mechanical integrity inspections, unit walk-throughs, and additional units to be evaluated.
- **July 22, 2016:** HOVENSA submits Consent Decree Semiannual Progress Report for the period from January 1, 2016 through June 30, 2016. The report notes that “[a]s part of its operating agreement with the Virgin Islands, LBT is required to evaluate the prospects of a refinery restart and take all commercially reasonable measures to facilitate such refinery restart over an 18 to 36 month period.” *See* Report at 7-8, attached at Tab U.
- **November 8, 2016:** Status update on study of equipment for refinery restart including #4 platformer/hydrobon, #7 distillate hydrotreater, and auxiliary units.
- **December 1, 2016:** Engineering study of restart of the #4 platformer/hydrobon and #7 distillate hydrotreater completed.
- **February 28, 2017:** LBT submits an application for a minor modification of the Title V operating permit, proposing to relinquish the authority to operate twelve process heaters, three boilers, and four gas turbines for purposes of achieving NO<sub>x</sub> reductions required by the Consent Decree. No other emissions units associated with the refining operations are identified as having been permanently shut down.
- **March 20, 2017:** Engineering study of Coker Unit restart evaluation completed identifying next steps for process design and permitting for Coker Unit and related coke handling facilities.
- **July 25, 2017:** LBT submits Consent Decree semiannual progress report for period from January 1, 2017 through June 30, 2017. The report refers to a possible restart, noting that “Limetree Bay Terminals has proposed to review the corrective actions [for Hydrocarbon Flaring Incidents] that have been proposed and provide an implementation plan, if the refinery is restarted.” *See* Report at 10, attached at Tab V.
- **August 2017:** Several engineering firms perform unit inspections, walk-throughs, mechanical integrity inspections, and visual inspections of equipment to develop concrete plans for restart.

- **August 30, 2017:** LBT retains RTP to develop air-permitting strategy for refinery restart.
- **September 2017 – present:** LBT cleans hurricane debris from refining process units and areas, starting with asbestos removal and removing hazards for personnel.

Between 2011 to the present, HOVENSA and LBT retained all permits necessary to operate the refinery units (Title V, TPDES, Terminal Facility License, Permit to Store and Generate Hazardous Waste, Underground Storage Tank Permit, etc.) and timely submitted all permit renewal applications as noted below. Permits and authorizations that did not transfer automatically to LBT through the Operating Agreement were transferred by HOVENSA to LBT. We are providing two representative documents:

- **August 31, 2012:** HOVENSA submits permit renewal application for TPDES permit, which includes three operating scenarios, including the scenario of operating the refinery. See TPDES Permit Renewal Application, attached at Tab W.
- **December 19, 2014:** HOVENSA submits permit renewal application for the Title V operating permit. The Title V operating permit renewal application retains all idled units. See Title V Permit Renewal Application, attached at Tab X.

We are very close to being in a position to submit to you a proposal for the two projects. For the refinery restart project, this will include detailed information on the refinery processes and emissions units that will resume operation, and also will include baseline and projected emission levels, emission controls, and a preliminary PSD applicability analysis. For the renewable diesel project, this will include a preliminary project description and emission summary.

Umesh P. Dholakia  
January 3, 2018  
Page 8

Please let me know if you have any questions or require any additional information. Thank you and happy new year!

Very truly yours,



LeAnn Johnson Koch

Attachments

cc (via electronic mail): Colin Campbell  
Chris Colman  
Alexander Dominguez  
David Harlow  
Robert Haugen  
Karl Karg  
John Krallman  
Evan Schwartz  
Joseph Siegel  
Dave Svendsgaard



## News Release

[< Back](#)

### **HOVENSA L.L.C. to Close Some Units and Reduce Crude Oil Distillation Capacity**

St. Croix, U.S. Virgin Islands .....January 26, 2011..... HOVENSA L.L.C. (HOVENSA) today announced plans to shut down certain processing units on the west side of its refinery. This action will reduce the refinery's crude oil distillation capacity from 500,000 barrels per day (BPD) to 350,000 BPD, with no impact on the capacity of its coker or fluid catalytic cracking (FCC) unit. This reconfiguration will be completed in the first quarter of 2011.

The Company is in the process of determining its workforce needs going forward. In the interim, it has placed an immediate hold on filling most open positions and cancelled the 2011 turnarounds previously scheduled for west side units that will be shut down. HOVENSA employees and contractors were notified today of these plans.

HOVENSA Interim Chief Operating Officer John W. George said, "Simplifying our operation by eliminating some older, smaller process units is expected to result in improved efficiency, reliability and competitiveness. This is an important step toward improving our performance at a time when HOVENSA and the refining industry are facing difficult economic conditions."

HOVENSA is jointly owned by Hess Corporation (NYSE: HES) and Petroleos de Venezuela S.A. (PDVSA).

Contact person at HOVENSA: Alex Moorhead (340) 692-3148





## **NEWS FOR IMMEDIATE RELEASE**

Contact: Alex Moorhead, Phone: 340-692-3311 / [questions@hovensa.com](mailto:questions@hovensa.com)

REPLY TO:  
HOVENSA L.L.C.  
1 Estate Hope  
Christiansted, VI 00820-5652

### **HOVENSA Announces Closure of St. Croix Refinery**

#### ***Company to Work Closely with the U.S. Virgin Islands Government to Ease Transition***

ST. CROIX, U.S. Virgin Islands Jan. 18, 2012 — HOVENSA L.L.C. announced today that it will commence shutdown of its refinery on St. Croix, U.S. Virgin Islands. Following the shutdown, the complex will operate as an oil storage terminal.

Losses at the HOVENSA refinery have totaled \$1.3 billion in the past three years alone and were projected to continue. These losses have been caused primarily by weakness in demand for refined petroleum products due to the global economic slowdown and the addition of new refining capacity in emerging markets. In the past three years, these factors have caused the closure of approximately 18 refineries in the United States and Europe with capacity totaling more than 2 million barrels of oil per day. In addition, the low price of natural gas in the United States has put HOVENSA, an oil-fueled refinery, at a competitive disadvantage.

"We deeply regret the closure of the HOVENSA refinery and the impact on our dedicated people," said Brian K. Lever, President and Chief Operating Officer of HOVENSA. "We explored all available options to avoid this outcome, but severe financial losses left us with no other choice. We will provide significantly enhanced benefits for those union and salaried employees who are impacted and will work closely with the government of the U.S. Virgin Islands to ease the transition for the rest of the community."

After formal shutdown of the refinery, which will occur by the middle of February, most of those employed at HOVENSA will continue working through a transition period. Thereafter, approximately 100 people will remain to work at the oil storage terminal.

**###**





# GOVERNMENT OF THE UNITED STATES VIRGIN ISLANDS

-----0-----

## DEPARTMENT OF PLANNING AND NATURAL RESOURCES

45 Mars Hill, Frederiksted  
St. Croix, U.S. Virgin Islands 00840-4474

Office of the Commissioner

Telephone: (340) 773-1082

Facsimile: (340) 773-1716

January 20, 2012

Brian Lever  
President and Chief Operating Officer  
HOVENSA, L.L.C.  
One Estate Hope  
Christiansted, VI 00820-5652

Dear Mr. Lever:

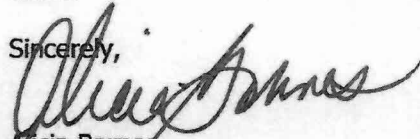
### **RE: Closure/Shut-down of the HOVENSA Oil Refinery**

In light of the recent press release issued by the HOVENSA Oil Refinery (HOVENSA) announcing the closure/shutdown of the refinery in 90 (ninety) days, the Department of Planning and Natural Resources (DPNR) hereby requests the following information:

- 1) Specific date of closure;
- 2) Nature of remaining facility operations;
- 3) Inventory of all current and pending permits with DPNR,
  - a. Note intent regarding all said permits;
- 4) Facility/Physical Plant Closure Plan,
  - a. Methodology,
  - b. Applicable industry standards,
  - c. Timeline,
  - d. Post-closure monitoring plan;
- 5) Procedure for certifying that the facility is secured; and
- 6) Post-closure modifications, if any, to the PRI Consent Decree.

HOVENSA has been a good corporate citizen of the Virgin Islands for many years. The unfortunate announcement of its closure has been overwhelming, to say the least. DPNR wishes the management, staff, and employees of the HOVENSA Oil Refinery all the best in these trying times.

Sincerely,

  
Alicia Barnes  
Commissioner



**IN THE DISTRICT COURT OF THE VIRGIN ISLANDS  
BANKRUPTCY DIVISION  
ST. CROIX, VIRGIN ISLANDS**

In re:	)	
	)	
HOVENSA L.L.C.,	)	Chapter 11
	)	
Debtor.	)	Case No. 1:15-bk-10003-MFW
	)	

**CERTIFICATION OF THOMAS E. HILL IN SUPPORT OF  
CHAPTER 11 PETITION AND FIRST DAY MOTIONS**

I, Thomas E. Hill, being duly sworn, depose and say:

1. I am the proposed Chief Restructuring Officer ("CRO") of HOVENSA L.L.C. ("HOVENSA" or the "Debtor"), a limited liability company organized under the laws of the United States Virgin Islands (the "USVI"). I am a Managing Director at Alvarez & Marsal North America, LLC ("A&M"), a financial advisory firm that provides restructuring advice and other related services.

2. On February 23, 2015, A&M was retained by HOVENSA to provide financial consulting services to assist HOVENSA with various financial management activities and to coordinate HOVENSA's restructuring efforts including the preparation for a potential chapter 11 filing. On September 15, 2015, the Executive Committee of HOVENSA appointed me to serve as CRO, subject to the approval of this Court, and HOVENSA and A&M executed a separate agreement providing for the terms of this engagement. As a result of my previous engagement as a financial consultant to HOVENSA, I am generally familiar with the Debtor's day-to-day operations, financial condition, business affairs, and books and records.

3. On the date hereof (the "Petition Date") and contemporaneously with the filing of this certification (this "Certification"), the Debtor filed a voluntary petition commencing a case

in this Court under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) to preserve and maximize the value of its chapter 11 estate. The Debtor will continue to operate its business and manage its properties as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. I submit this Certification in support of the Debtor’s chapter 11 petition and the First Day Pleadings (defined below) as described herein.<sup>1</sup> Except as otherwise indicated, all statements in this Certification are based upon: my personal knowledge; information supplied or verified by former employees or current consultants familiar with the business operations of the Debtor; my review of the Debtor’s books and records as well as other relevant documents; my discussions with members of the Debtor’s Executive Committee and management team; information supplied by the Debtor’s consultants and professional advisors; or my opinion based upon experience, expertise, and knowledge of the Debtor’s operations, financial condition, and history. In making my statements based on my review of the Debtor’s books and records, relevant documents, and other information prepared or collected by the Debtor’s former employees or current consultants and its management team, professional advisors and/or members of its Executive Committee. I have relied upon these persons accurately recording, preparing, collecting, or verifying any such documentation and other information.

5. Part I of this Certification provides a basic overview of the chapter 11 case. Part II describes the Debtor’s business and organizational structure. Part III describes the Debtor’s assets and liabilities. Part IV describes in detail the developments that led to the Debtor’s

---

<sup>1</sup> Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the applicable First Day Pleadings.

chapter 11 filing. Finally, Part V sets forth the relevant facts in support of the First Day Pleadings.

## **I. OVERVIEW OF THE CHAPTER 11 CASE**

6. The Debtor's objectives in this chapter 11 case are the same as they have been since 2013 when it became evident that a restructuring of HOVENSA's businesses and operations was necessary – namely, to sell HOVENSA's assets in order to maximize recoveries for all of the Debtor's stakeholders and, at the same time, promote the best interests (both economic and environmental) of the U.S. Virgin Islands (the "USVI") and its residents. With those objectives in mind, beginning in November 2013, HOVENSA and its professional advisors engaged in an extensive marketing and sale process to find a purchaser for all of its assets – that is, the business and assets related to both its oil refinery operations and related storage (or "terminal") facilities. In late 2014, HOVENSA found a purchaser and negotiated a sale transaction for the entirety of HOVENSA's business and operations. However, as set forth in detail below, in December 2014, the former Senate of the USVI Legislature (the "USVI Senate") voted to reject a proposed operating agreement that was required to complete the proposed sale transaction, thereby preventing HOVENSA from completing the sale, prompting it to restart its marketing and sale process, and eventually precipitating the Debtor's filing of this chapter 11 case.

7. Immediately following the USVI Senate's actions, HOVENSA and its advisors worked tirelessly to continue to market HOVENSA's assets. This additional, nearly year-long marketing process led to the negotiation and ultimate entry into a definitive stalking horse asset purchase agreement (the "APA") with Limetree Bay Holdings, LLC, an affiliate of ArcLight Capital Partners, LLC ("Limetree Bay" or the "Stalking Horse Bidder"). Under the APA, the Debtor has agreed to sell, subject to higher and better offers and approval of this Court, and upon

the terms and subject to the conditions set forth in the APA, certain assets, including all of its oil storage terminal assets (the "Terminal Assets"), for a purchase price of \$184 million. Simultaneously with the commencement of the chapter 11 case, the Debtor has filed a motion seeking approval of bidding procedures pursuant to which a competitive sale process will take place. By this process, the Debtor will solicit bids for the sale of the Debtor's assets, including, but not limited to, the Terminal Assets.

8. The Debtor believes that the contemplated marketing and sale process for the Debtor's assets is the only and best path forward. If consummated, the sale transaction with the Stalking Horse Bidder (or another third party) (the "Sale Transaction") will generate proceeds sufficient to pay in full in cash the \$40 million secured claim asserted by the Government of the Virgin Islands (the "GVI") in connection with certain prepetition litigation regarding alleged environmental liability. In addition, the Sale Transaction will allow the Debtor's oil storage terminal facilities to resume operations, thereby ensuring that the facilities remain a vital part of the St. Croix economy as a business, employer, and taxpayer. Moreover, my understanding is that the Sale Transaction will likely provide HOVNSA with liquidity needed to ensure that it can continue to comply with its environmental obligations.

9. As it has been represented to me, throughout the two-year sale process HOVENSA's owners, HOVIC and PDV-VI (as such terms are defined below), made numerous efforts and spent millions of dollars to accommodate the requests of the GVI. For example, in November 2013, the owners agreed, at the GVI's request, to undertake an extensive marketing and sale process to locate a buyer to re-start and operate HOVENSA's refinery assets, even though that process would impose substantial incremental costs on the owners, and, as I have been advised, was unlikely to succeed. Nonetheless, it is my understanding that HOVENSA and



GOVERNMENT OF THE UNITED STATES VIRGIN ISLANDS

-----0-----

**DEPARTMENT OF PLANNING AND NATURAL RESOURCES**

45 Mars Hill, Frederiksted  
St. Croix, U.S. Virgin Islands 00840-4474

Office of the Commissioner

Telephone: (340) 773-1082

Facsimile: (340) 773-1716

January 20, 2012

Brian Lever  
President and Chief Operating Officer  
HOVENSA, L.L.C.  
One Estate Hope  
Christiansted, VI 00820-5652

Dear Mr. Lever:

**RE: Closure/Shut-down of the HOVENSA Oil Refinery**

In light of the recent press release issued by the HOVENSA Oil Refinery (HOVENSA) announcing the closure/shutdown of the refinery in 90 (ninety) days, the Department of Planning and Natural Resources (DPNR) hereby requests the following information:

- 1) Specific date of closure;
- 2) Nature of remaining facility operations;
- 3) Inventory of all current and pending permits with DPNR,
  - a. Note intent regarding all said permits;
- 4) Facility/Physical Plant Closure Plan,
  - a. Methodology,
  - b. Applicable industry standards,
  - c. Timeline,
  - d. Post-closure monitoring plan;
- 5) Procedure for certifying that the facility is secured; and
- 6) Post-closure modifications, if any, to the PRI Consent Decree.

HOVENSA has been a good corporate citizen of the Virgin Islands for many years. The unfortunate announcement of its closure has been overwhelming, to say the least. DPNR wishes the management, staff, and employees of the HOVENSA Oil Refinery all the best in these trying times.

Sincerely,

A handwritten signature in black ink, appearing to read "Alicia Barnes", is written over the word "Sincerely," and extends below the line for the name.

Alicia Barnes  
Commissioner





February 7, 2012

REPLY TO:  
HOVENSA L.L.C.  
1 Estate Hope  
Christiansted, VI 00820-5652

**CERTIFIED MAIL NO.: 7008 1830 0004 0472 5609**  
**RETURN RECEIPT REQUESTED**

Ms. Alicia Barnes, Commissioner  
Department of Planning and Natural Resources  
45 Mars Hill  
Frederiksted, VI 00840-4474

Dear Commissioner Barnes:

This is in response to your letter of January 20, 2012 regarding the shutdown of HOVENSA's refining operations. HOVENSA's responses to your information requests are set out below.

1) Specific date of closure

**Response:** All hydrocarbon processing units will cease operation on or about February 16, 2012. Our Sour Water Strippers, Sulfur Recovery Units, Tail Gas Treatment Units and Wastewater plant will continue to operate after February 16 to process sulfur and wastewater. Shutdown dates for these units have not yet been determined.

2) Nature of remaining facility operations

**Response:** Following the shutdown, the complex will operate as an oil storage terminal. It will have the capability to store crude oil and petroleum products. The operation of the oil storage terminal requires continued operation of approximately 30 storage tanks, as well as much of the docks, piping, pumps, marine loading/unloading equipment and other equipment presently associated with a marine based oil storage terminal. HOVENSA will produce enough power and water in order to safely operate the oil storage terminal.

3) Inventory of all current and pending permits with DPNR  
a. Note intent regarding all said permits

**Response:** A list of permits issued by DPNR-DEP is attached, along with the status of those permits. It remains HOVENSA's intention to keep its operating permits for refining operations in effect. However, HOVENSA does anticipate the need to revise some permits to reflect the oil storage terminal operation. With respect to air permits, we have included only those local air operating permits that have not been incorporated into the Title V Air operating permit. Those operating permits that have been

incorporated have had their terms and conditions placed into the Title V master operating permit. Under the Territorial rules, these incorporated permits no longer need to be maintained separately from the Title V permit, so they have not been renewed and have expired.

- 4) Facility/Physical Plant Closure Plan
  - a. Methodology,
  - b. Applicable industry standards,
  - c. Timeline,
  - d. Post-closure monitoring plan;

**Response:** HOVENSA has already developed, as part of its commitment to a safe workplace, process safety management, maintenance, safety and other procedures that apply to shutdowns and turnarounds. Each unit at HOVENSA has a specific shutdown procedure and the refinery has an overall shutdown plan that is typically used in connection with hurricane preparedness, but is also applicable to the current refinery wide shutdown activities. The equipment cleaning and preservation activities are being conducted in accordance with HOVENSA standard maintenance procedures. Because the current shutdown activities differ from standard procedures for turnaround to the extent that the units are being laid up rather than being maintained and placed back into service, HOVENSA has also developed procedures specific to this process. The layup of the process units will take two to four months to complete.

With regard to post closure monitoring plans, HOVENSA is developing plans for ongoing inspection and maintenance of shut down units to ensure that they do not present a safety or environmental hazard. HOVENSA believes that the cleaning and shutdown procedures will address any concerns with regard to sludges, residuals or hazardous atmospheres that might remain in the process units or tanks, many of which will be reused or reclaimed to reduce waste generation. These have not been completed as of the date of this response because of the critical need for HOVENSA to ensure that the process units have been shut down in a safe fashion. Consistent with HOVENSA's approach to preserving the refining process units, HOVENSA currently anticipates that the post closure monitoring plan will involve periodic inspections of laid up units, and the creation of work orders to address any arising conditions that might create concerns with regard to public safety or health. HOVENSA can share additional details of the post closure plan once they have been fully developed and reviewed by HOVENSA.

- 5) Procedure for certifying that the facility is secured

**Response:** HOVENSA is required under federal regulations that apply to certain transportation facilities to have a site specific security plan to ensure that the facility is secure. That plan is detailed and specific, but under federal regulations, cannot be disclosed to DPNR. As a general matter, HOVENSA fully intends to continue

maintenance of the security perimeter around the refining facility and take steps to ensure its integrity. With regard to long term monitoring, see response to Request 4 above.

6) Post-closure modifications, if any, to the PRI Consent Decree

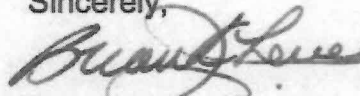
**Response:** HOVENSA remains committed to securing the assets of the refinery operations that are being shut down. Among those assets are the permits that allow the refinery process units to be operated in the future, without obtaining new source permits that would likely impose unsustainable burdens on any resumption of operations at the refinery. We are currently reviewing the Consent Decree in detail for what modifications might allow a resumption of refinery operations, while still being protective of the environment. As a general matter, these issues fall into the following categories:

- Obligations that continue to apply, such as LDAR, BWON and Supplemental Environmental Projects (SEPs). HOVENSA had proposed SEP alternatives such as renewable energy or health initiatives. In view of the refinery shut down, HOVENSA hopes that our suggestions will be considered carefully as alternatives to refinery monitoring or health assessments. As to the WAPA SEP, HOVENSA would appreciate a further discussion of a path forward.
- Obligations that would cause HOVENSA to surrender air permits on an accelerated schedule. The NOx reduction projects required by the CD and the East Side Tail Gas Unit are the most obvious examples.
- Clarification that cessation of operations, even without surrender of permits, is sufficient to comply with provisions of the Consent Decree that require compliance with a specific regulation or standard. Timing of these requirements may also need to be reconsidered.

HOVENSA has requested a meeting with the United States on these issues and we assume your Department would want to participate in those discussions, consistent with the historical participation of the Government in PRI negotiations.

If you have any questions or need additional information, please contact Kathleen Antoine of my staff at (340) 692-3774.

Sincerely,



Brian K. Lever  
President & Chief Operating Officer

BKL/KCA/lm

Attachment

HOVENSA L.L.C.

Commissioner Barnes  
DPNR

February 7, 2012  
Page 4

File: 2012.02.06-COR-VI-Refinery Shutdown Response to Barnes.docx

File Log #: 12-048

# HOVENSA

## Current and Pending DPNR Permits

PROGRAM	PERMIT NUMBER	EFFECTIVE DATE	EXPIRATION DATE	Permit Description	Status	Intent
Air	STX-TV-003-10	7/1/2010	7/1/2015	Title V Air Operating Permit	8/2/11 -- Modification submitted to incorporate limits and standards from Consent Decree and for Coker throughput related changes	HOVENSA intends keep its operating permits for all refinery operations in effect, including terminal operations. The modification will need to be processed to meet the requirements of the Consent Decree.. HOVENSA believes that a Title V permit will be needed even if only oil storage terminal operations remain at the site.
Air	STX-557-N-Z-08	8/7/2008	8/7/2011	PHASE II Advanced Wastewater Treatment	7/7/2011 Renewal submitted, permit now expired	WWTU will remain in operation on an interim basis, so that this permit needs to be retained and renewed.
Air	STX-804-10	11/17/2010	11/17/2011	West Sulfur Pit Control - Construct	Control installed	Retain - roll into Title V
Air	STX-557-F-08	10/30/2008	10/30/2011	#1 Vac Off-gas compressor	Control installed	Retain - roll into Title V
Air	STX-797-A-B-09	1/25/2010	1/25/2013	VERs 3&4	Currently in effect	Retain - roll into Title V VERS are used in on-site remediation, which is being continued.
Water	VI0000019	3/1/2008	2/28/2013	TPDES	Currently in effect. Renewal Application due 6 months before expiration	Must remain in effect so that HOVENSA can discharge wastewater/stormwater from the oil storage terminal. However, extensive revisions will be needed to replace effluent limits for refinery with limits applicable to a terminal.
Groundwater	STX-GWA-11-019	11/1/2011	10/31/2013	Hydrocarbon Recovery Wells	Currently in effect	refinery, so these permits will be retained and renewed
Groundwater	STX-GWA-11-018	11/1/2011	10/31/2013	Groundwater Appropriation - Process Water Wells	Currently in effect	HOVENSA is evaluating whether this permit will continue to be needed.

# HOVENSA

## Current and Pending DPNR Permits

Solid Waste	STX. C-064	1/12/2011	12/31/2011	Permit to Generate and Store Hazardous Waste	11-2-11. A permit renewal was filed and is pending	HOVENSA will continue to generate and store hazardous waste, so this permit will be retained and renewed.
Solid Waste	STX.C-002	11/17/2009	12/31/2012	Special Solid Waste Permit to Generate and/or Store/Treat/Dispose Used Oil	11-18-11. A permit renewal/modification was filed and is pending	Also includes waste fuel permit, too.
UST	?	12/20/2010	12/19/2012	Use and Operate USTs (Tanks 1 & 2)	Currently in effect	HOVENSA is evaluating whether this permit will continue to be needed.



**COLMAN, CHRISTOPHER**  
Deputy General Counsel, Deputy General Counsel  
Woodbridge (WDB)



NYSE : HES

\$65.50

0.00(0.00%)



WOODBIDGE (WDB) \*

42° F 9:41 AM (GMT -5)

## CORPORATE

Corporate

Search All Content

☐ Adv
[COMMUNICATIONS](#)
[EHS & SR](#)
[FINANCE](#)
[HR](#)
[IT](#)
[LEGAL](#)
[FUNCTIONS](#)
[RESOURCES](#)

All

[Hess Stories](#)[Industry News](#)[Energy Pricing](#)[Exploration & Production](#)[Marketing & Refining](#)[Alternative Energy](#)[Government](#)**Update 1: Hovensa completes Virgin Islands refinery shutdown****REUTERS** **Related Articles (1)**

Reuters News 2/21/2012  
© Reuters Limited 2012.

Hovensa LLC says it has  
completed US Virgin Islands  
refinery shutdown  
Associated Press, 2/21/2012

**Dow Jones Factiva**

NEW YORK, Feb 21 (Reuters) - Hovensa LLC completed shutdown of its 350,000 barrel-per-day St. Croix, U.S. Virgin Islands refinery on Tuesday, the company said in a statement.

The complex will be operated as an oil storage terminal.

"Hovensa's operation of the complex as an oil storage terminal is subject to the completion of negotiations with the Government of the Virgin Islands," the company said.

Losses at the Hovensa refinery, owned by Hess and Venezuelan state oil company Petroleos de Venezuela, totaled \$1.3 billion over the past three years and were projected to continue.

The company had announced the refinery shutdown on Jan 18.

On Tuesday, when Hovensa said the shutdown was complete, the markets focused on geopolitical tensions in the Middle East, the Euro and the strength of the S&P 500. [O/R]

March RBOB futures ended the day up 1.81 percent at \$3.066 per gallon and the cash market in the New York Harbor saw values of either side of 4.00 cents per gallon under the screen.

The 46-year-old refinery was once one of the largest plants in the Americas, with 500,000 bpd capacity. The company idled 150,000 bpd of older, less efficient units in 2011 on the West Side of the plant.

Sluggish oil demand growth in the United States and Europe, growing competition from new, advanced Asian refineries and spike in the price of Atlantic Basin Brent-based crude oil relative to inland U.S. grades has devastated refining margins for many older East Coast and European refiners.

The U.S. East Coast is now facing a tight summer gasoline supply outlook. In September, ConocoPhillips and Sunoco Inc. announced they would close three refineries with nearly 700,000 bpd of capacity in the region, two plants have already been idled, and Sunoco's 335,000 bpd Philadelphia refinery is slated for closure if no buyer is found.





## THE VIRGIN ISLANDS OF THE UNITED STATES

OFFICE OF THE GOVERNOR  
GOVERNMENT HOUSE

Tel: (340) 773-1404  
Fax: (340) 713-9806

1105 King Street  
Christiansted, St. Croix, U.S.V.I. 00820

Tel: (340) 772-1000  
Fax: (340) 772-0333

July 12, 2013

### VIA HAND DELIVERY

Honorable Shawn-Michael Malone  
President  
30th Legislature  
Capitol Building  
St. Thomas, Virgin Islands 00802

OFFICE OF THE  
SENATE PRESIDENT  
13 JUL 12 PM10:51  
SENATOR  
SHAWN-MICHAEL MALONE

**Re: Transmittal of Legislation Ratifying the Fourth Amendment to the HOVENSA Concession Agreement**

Dear Mr. President:

Enclosed for consideration by the 30<sup>th</sup> Legislature is a bill ratifying the Fourth Amendment to the HOVENSA Concession Agreement (the "Fourth Amendment" or "Amendment"), which requires the owners of HOVENSA to initiate a bona fide process to sell the HOVENSA oil refinery—a process that I believe offers the best chance of identifying a new owner who will restart the refinery, and with it, the engines of job creation on St. Croix and economic growth in the Territory as a whole. The Amendment sets forth the terms and conditions under which HOVENSA's owners must undertake a defined and arms-length process to sell the refinery and its related facilities to a willing operator. I believe the Amendment provides a major opportunity for the Territory to heal its economic wounds and allow our people to move forward to a brighter future. Upon full consideration by the Legislature, I strongly urge you and your distinguished colleagues to approve the bill and pass it into law.

The Fourth Amendment, which has been executed among the Government, HOVENSA, HOVIC and PDVSA VI, is the most recent proposed modification to the Concession Agreement originally ratified by this body on September 1, 1965, which authorized the construction of the refinery, and which (as amended from time to time) has governed the Territory's relationship with HOVENSA, its owners, and their predecessors for nearly 50 years. That 1965 agreement, and the world-class refinery it brought to St. Croix, has produced economic benefits for the

Territory worth billions of dollars — in the form of well-paid, professional jobs and the substantial economic activity and tax revenue generated thereby.

In the past, the Government and the refinery's owners have come together to modify their agreement when economic circumstances required it, for the mutual benefit of all involved. This time, HOVENSA initially spurned that well-established, mutual process and sought to impose new terms on the Government unilaterally; but through patience and an unbending insistence on the Government's contractual rights and economic interests, we have brought HOVENSA back to the negotiating table and reached an agreement.

The driving purpose of the Fourth Amendment is to achieve the economic benefits of an operating refinery with a new owner and thereby renew the economic health of St. Croix and the rest of the Virgin Islands.

#### **BACKGROUND—ORIGINS OF THE FOURTH AMENDMENT AGREEMENT**

As you and your colleagues know, the precipitating event for the proposed Amendment was the abrupt announcement on January 18, 2012, by HOVENSA and its owners, of the imminent termination of refining operations on St. Croix and the planned conversion of the facility into an oil storage terminal. That announcement was followed by the actual shutdown of the facility just three weeks later. The sudden loss of the Territory's largest employer, the bulk of its industrial sector, and thousands of jobs threw the Territory into crisis.

Navigating and emerging from that crisis has been my highest priority for the past 18 months. Almost immediately after announcing the refinery closure, HOVENSA unilaterally proposed a series of drastic modifications to the Concession Agreement—one-sided modifications designed to permit them to essentially mothball the refinery while allowing the company to operate an oil terminal business on just a portion of its facilities. HOVENSA's proposal to use the facility as a storage terminal would likely require fewer than 100 employees, whereas an operating refinery—even one of reduced scale and scope utilizing only the most efficient portions of the existing facility—would require far closer to 1,000 employees. Moreover, HOVENSA's proposal would also have relieved the company of many of its obligations under the Concession Agreement, while leaving the Government with no guarantee or expectation that the refinery would ever be restarted or put up for sale. In addition, HOVENSA demanded agreement to its terms and ratification by this body no later than April 30, 2012 — far too short a time for us to thoroughly assess the situation and make informed decisions about the best course of action for the Territory. In the fearful and uncertain atmosphere of those days, I faced enormous pressure to agree to HOVENSA's proposed terms, while our community remained troubled and concerned about its future.

To obtain the time necessary to safeguard the Territory's interests, I negotiated an interim agreement permitting HOVENSA to operate an oil storage terminal business on a temporary basis, in exchange for nine additional months of discounted fuel for the Virgin Islands Water and Power Authority ("WAPA") and an additional three months to consider and respond to

HOVENSA's proposed modifications to the Concession Agreement. By securing WAPA's fuel-oil supply for the remainder of 2012, we gave WAPA time to identify, negotiate and execute an agreement with a new supplier and solidify its path for a long-term solution to our energy costs. At the same time, the Government had given additional time to analyze our claims and assess our legal options. During this time, we retained experienced industry consultants at Duff & Phelps to assist in our analysis and to identify the "highest and best use" for the refinery site.

The Government used the additional time to its advantage. By August 2012, WAPA had identified and was negotiating a supply contract with a new fuel supplier, Trafigura, and had begun exploring a conversion to less-expensive liquefied propane gas ("LPG") or liquefied natural gas ("LNG") fuel that would greatly reduce the Territory's energy costs by the last quarter of 2014. The Attorney General, working with outside counsel, had thoroughly analyzed the Government's legal options. Most important, Duff & Phelps had completed its analysis and produced an exhaustive, detailed report concluding that only one activity at the HOVENSA site could create the level of economic activity and employment approaching that previously associated with the refinery: restarting and resuming refining operations.

If there is skepticism on this point, let me assure you: a reopened refinery is an attainable goal. It is true that HOVENSA has been losing money on its refining operations for several years. But as recently as 2008 it was extremely profitable. Duff & Phelps' analysis concluded that the refinery's current problems—most notably, its high energy costs—can be remedied, and that it can be profitable again in the hands of an owner committed to the refining business and willing to make reasonable capital investments consistent with that commitment.

HOVENSA is not such an owner. Not only did it shutter the St. Croix refinery last year, but one of its parent companies, Hess Corporation, has publicly announced its intention to exit the refinery business altogether, and the other, Venezuela's national oil company has indicated no interest in making new investments in the refinery. Although HOVENSA has not publicly admitted it, it seems all but certain that, under its current ownership, the St. Croix refinery will never reopen.

In short, during the window created by the interim agreement executed in the spring of 2012, the Government determined that the highest and best use of the refinery site is refining operations; that with some modifications and investments, the refinery can be restarted and returned to profitability; and that there is likely a viable market for the refinery. Accordingly, on August 6, 2012, I informed HOVENSA and the public of the Government's position: The company must either restart the refinery or sell it to someone who will. Implicit in that statement was another message: if HOVENSA did not take either of those actions, the Government would vigorously pursue all of its remedies under the law.

When HOVENSA responded, it made a substantial concession: it would agree to put the refinery up for sale, on the condition that the Government first enter into an amended concession agreement that — if the refinery did not sell — would permit HOVENSA to shed most of its obligations under the existing Concession Agreement and still operate its oil storage terminal

business on highly favorable terms. I refused: Any permanent modification of the Concession Agreement would reduce HOVENSA's incentives to sell the refinery and would simply transfer value from the Government to HOVENSA, which, if the refinery were ever sold, would use the more favorable terms to extract a higher price for the refinery. Accordingly, I continued to insist that any amendment to the Concession Agreement during the sales process be temporary.

The parties remained at impasse from mid-December 2012 to late January 2013. In my State of the Territory address, I reiterated that the Government would accept no long-term use for the HOVENSA facility other than oil refining, and that if HOVENSA were unable or unwilling to restart operations or sell the facility to a willing operator, the Government would require HOVENSA to take down the refinery and remediate the site. Shortly thereafter, with the end of the parties' interim agreement approaching at the end of February, HOVENSA reached out with a new offer that accepted the Government's last major condition — HOVENSA would agree to sell the refinery and would accept a temporary modification of the Concession Agreement to facilitate the sale.

The parties moved to detailed negotiations to flesh out the agreement. By late March 2013, those negotiations resulted in the Fourth Amendment Agreement now before you for consideration. Although unexpected events in Venezuela caused final execution of the Amendment by PDVSA to be delayed, all parties have now signed the agreement. The final step before HOVENSA can begin its sales process and move St. Croix toward a better, more prosperous future, is ratification by this Legislature.

#### **THE FOURTH AMENDMENT AGREEMENT—STRUCTURE**

The basic structure of the Fourth Amendment is as follows: HOVENSA will undertake a bona fide sales process administered by a reputable and experienced investment banking firm. In exchange, the Government will *temporarily* permit HOVENSA to operate the refinery site as an oil storage terminal, on terms consistent with the smaller economic output of such an operation — including temporarily reduced payments in lieu of property tax ("PILOT"). If the refinery is sold to an acceptable buyer, who will want to negotiate a new agreement with the Government and which this body must also ratify, HOVENSA may be released from its obligations under the Concession Agreement, and HOVENSA will pay the Government a portion of the sales proceeds. If the refinery does not sell, HOVENSA will resume its obligations under the Concession Agreement and repay to the Government all deferred payments in lieu of property tax.

The agreement is structured to give HOVENSA powerful incentives to sell. The sales process will commence upon ratification of the Fourth Amendment Agreement and terminate no later than August 15, 2014 — ample time, according to our industry experts, for a thorough process, but not enough to give HOVENSA any time, or incentive, to delay. And at the end of the sales process period, if the refinery is not sold, HOVENSA will face four unpalatable consequences. First, most of its obligations under the Concession Agreement will resume—including the obligation to bid to supply WAPA with heavily discounted fuel oil. Second, it will



## **Summary Comments on Revisions to Water Quality Standards And Request for Reopening of Public Comment Period July 22, 2014**

- Virgin Islands Water Quality Standards have a very significant impact on water discharges at HOVENSA, whether from refinery or terminal operations.
- Because of the importance of these rules, particularly to refining operations, the company had extensively commented on the 2004 and 2010 revisions to the WQS standards rules 12 VIRR §186-1 et. Seq.
- DPNR proposed changes to the existing 2010 Water Quality Standards Rules in Spring, 2014.
- HOVENSA was never directly notified of the 2014 proposed changes and was not aware of them until a consultant provided a copy in June.
- HOVENSA is continuing the agreed upon bona fide sale process to find a buyer who will restart refining operations.
- ***As currently written, HOVENSA believes that the revisions to the WQS imperil any industrial use of the HOVENSA site and will likely adversely affect the sales process and any potential restart of the refinery.***
- ***They will also adversely affect public entities like the Port Authority or WAPA, and discourage other businesses from locating here.***
- ***Key Issues:***
  - ***Continued use of unnecessarily broad "waters of the Virgin Islands" definition in these rules***
    - ***HOVENSA has commented on this issue since 2004***
    - ***Not required or necessary to retain federal program approval***
    - ***VI Code DOES NOT REQUIRE setting of water quality standards for all waters of the Virgin Islands***
      - 12 VIC §186 (a) In order to carry out the purposes of this chapter and the Federal Water Pollution Control Act, as amended, the Commissioner shall set standards of water quality to be applicable to the waters of the United States Virgin Islands **or portions thereof.**  
**(Emphasis added)**
    - ***As now written, standards can affect culverts, ponds, ditches, swimming pools, surface impoundments, septic systems***
    - ***Standards can also affect groundwater***
  - ***The unprecedented application of water quality standards rules specifically to groundwater***
    - 2014 standards clearly apply water quality standards to groundwater and are a major change from the 2010 rules

- The 2010 rules cannot be fairly read to apply the water quality standards in those rules to groundwater
    - Word usage in §186-1 shows 2010 rules intended to apply to marine environments (“benthic”, “aquatic”, “settle”, “float”, “saltwater aquatic” life.)
    - Numeric water quality standards themselves in (d) were for protection of saltwater aquatic life and food safety.
    - Standards were to protect designated uses, but groundwater not included in water classification scheme in §186-2, -3 or -4.
      - The legal limits of those waters were clearly defined in §186-11 and did not include groundwater
  - The 2014 rules have no permitting or regulatory regime to apply the TPDES regime to groundwater
    - Application of WQS to groundwater not required or necessary under federal law
    - WQS for ground water used by other states ONLY to regulate deliberate discharges to groundwater via wells or impoundments
  - IG criteria will affect almost all groundwater in the Virgin Islands because it applies to groundwater with salinity <10,000 mg/l
    - Includes naturally saline groundwater not usable for drinking water because they exceed EPA standards
    - Includes waters under industrial or other facilities that are not accessible to the public
    - The rules themselves set a salinity standard for these groundwater of 250 ug/l, so that most Virgin Islands IG groundwaters would not comply with these standards
    - Numeric criteria and quality criteria in 2010 rules did not apply to groundwater
  - Groundwater under HOVENSA cannot meet these criteria
    - §186-12(a) appears to require compliance within three years
    - Raises remediation costs exponentially without any corresponding benefit to human health or the environment
  - Impossible to comply with narrative standard of no pollution anywhere for all IG groundwater
  - Aquatic life criteria developed for open water aquatic organisms are applied to groundwater
  - Bacteria standard could affect septic systems
- ***Significant changes to Class C waters provisions***

- Deleted language acknowledging degradation of these waters
- Continue to apply fishable/swimmable standard even though federal and VI rules prohibit this use
- Potential application of reef protection standard in HOVENSA harbor channel
- Reef protection standards will make it extremely difficult (if not impossible) to obtain CZM/ACOE permits in the VI
  - CZM/Dredging process requires certification that the construction, operation and maintenance of the projects does not violate applicable water quality standards
  - Reef protection standards for turbidity probably not meetable during dredging activities
- ***Problematic changes to anti-degradation provisions***
  - Added new sections for anti-degradation implementation
  - Rules do not define when anti-degradation review is triggered
    - Not clear if refinery restart would trigger review
  - Must meet WQS at end of pipe for dissolved oxygen, temperature, phosphorous, bacteria (HOVENSA harbor is listed on the 303d list for these parameters) if review is triggered.
    - Current end of pipe is 101.5°F based on mixing zone, this would reduce limit to 89.5°F
- ***Changes to WQS numeric criteria***
  - Did not change “compliance all times, all places” rule for dissolved oxygen, turbidity and temperature, even though at least DO is a chronic criterion.
  - Did not raise the 8.3 maximum pH standard, which is VERY close to the natural pH of seawater.
    - EPA marine criteria is 8.5 pH maximum
  - Continued to apply numeric criteria that may not be based on local conditions and ecosystems
- HOVENSA would like to meet with DPNR as soon as possible to discuss our concerns.
- ***HOVENSA is preparing and will submit comments. HOVENSA requests that DPNR reopen the comment period and delay issuance of this rule.***



Refinery Pestert

Jan 26, 2018

**Index of Maintenance Records**

("Log File") referred in Jan 27

email

Date	Document	Tab
	List of Critical Refinery Equipment Maintained	<u>1</u>
7/26/2011	Anti-Cannibalization of Process Equipment; procedure adopted to preserve idled equipment for restart	<u>2</u>
2/22/2012	Chemical Cleaning Schedule for East Side Units and Certain West Side Units not yet steam cleaned; lists equipment chemically cleaned between February and April 2012	<u>3</u>
1/10/2013	Walk-Thru Area 9 - Tank #7407	<u>4</u>
1/16/2013	Refinery Rounds: #1 Power House & Util 2	<u>5</u>
1/16/2013	Refinery Rounds: #4 Platformer	<u>6</u>
1/16/2013	Equipment Preservation Checklist: West Refinery Areas 2 &4, Coker and Area 8	<u>7</u>
1/24/2013	Refinery Rounds: East SRU Complex (3&4 SRU, 2 Beavon, 3, 4, & 5 SWS)	<u>8</u>
1/24/2013	Refinery Rounds: West SRU Complex (1&2 SRU, 1 Beavon, 6 SWS, 2&3 Flares, West Benzen Stripper	<u>9</u>
1/24/2013	Walk-Thru Area 9 - DK/DC, RO/RO, & Sea Water Intake	<u>4</u>
1/28/2013	Refinery Rounds: Area 2	<u>10</u>
1/28/2013	Equipment Preservation Checklist: West Refinery Areas 2 &4, Coker and Area 8	<u>11</u>
1/31/2013	Walk-Thru Area 9 - Dock #9	<u>4</u>
2/7/2013	Refinery Rounds: Area # 1	<u>4 &amp; 12</u>
2/14/2013	Walk-Thru Area 6 - API & Bundle Wash	<u>4</u>

2/21/2013	Walk-Thru Area 9 - Tank #6813	<u>4</u>
2/28/2013	Terminal Action Log: Coker Dome	<u>4 &amp; 13</u>
3/7/2013	Walk-Thru Christiansted Equipment	<u>4</u>
3/9/2013	Walk-Thru Area 9 - Tank #7417	<u>4</u>
3/21/2013	Walk-Thru Area 9 - RO/RO Dock	<u>4</u>
3/28/2013	Walk-Thru Central Maintenance	<u>4</u>
4/4/2013	Walk-Thru Area 9 - Tank #7401	<u>4</u>
4/11/2013	Walk-Thru Area 9 - Terminal Building	<u>4</u>
4/18/2013	Walk-Thru Fire Station & Auto Garage	<u>4</u>
4/25/2013	Walk-Thru Earth Day - HOVENSA Beach	<u>4</u>
5/2/2013	Walk-Thru Area 9 - Dry Cargo Dock	<u>4</u>
5/9/2013	Walk-Thru SCPC	<u>4</u>
5/16/2013	Walk-Thru Area 6 - Reverse Osmosis Units & Spheres	<u>4</u>
5/23/2013	Walk-Thru Area 6 - TDU	<u>4</u>
5/30/2013	Walk-Thru Area 6 - AWWT	<u>4</u>
6/6/2013	Walk-Thru Area 9 - Dock #3	<u>4</u>
6/13/2013	Walk-Thru Area 9 - Tank #7403	<u>4</u>
6/20/2013	Walk-Thru Area 9 - NRC & MSRC Buildings	<u>4</u>
6/27/2013	Walk-Thru Quality Control Lab	<u>4</u>
7/11/2013	Walk-Thru Area 7 - East Power Utilities #2	<u>4</u>
7/18/2013	Walk-Thru Area 3 - Crude #5	<u>4</u>
7/15/2013	Pressure Vessel External Inspection Checklist: 7000-FCC Unit	<u>14</u>

7/25/2013	Walk-Thru Area 1	<u>4</u>
7/26/2013	Anti-Cannibalization of Process Equipment: exception granted for GT-4 and GT-5	<u>15</u>
7/29/2013	Centrifugal Compressor Rotor Rotation/ Gearbox Insp Checklist	<u>16</u>
7/31/2013	Walk-Thru Area 9 - Dock #5	<u>4</u>
8/8/2013	Walk-Thru Old HOVENSA Warehouse	<u>4</u>
8/15/2013	Walk-Thru Area 9 - Tank #7507	<u>4</u>
8/16/2013	Centrifugal Compressor Rotor Rotation/ Gearbox Inspection Checklist	<u>17</u>
8/22/2013	Walk-Thru Scaffold Lay-down Yard	<u>4</u>
8/29/2013	Walk-Thru Area 9 - Tank #6833	<u>4</u>
9/5/2013	Walk-Thru Area 5 - Acid Plant	<u>4</u>
9/12/2013	Walk-Thru Area 9 - Tank Field #60	<u>4</u>
10/1/2013	Centrifugal Compressor Rotor Rotation/ Gearbox Inspection Checklist	<u>18</u>
12/6/2013	Marine/Terminal Safety Leadership Walk-Through: Dock #7	<u>19</u>
1/1/13- 12/30/13	2013 Maintenance Activity Progress Report	<u>20</u>
12/23- 12/31/2013	Centrifugal Compressor Rotor Rotation/ Gearbox Inspection Checklist	<u>21</u>
1/9/2014	Centrifugal Compressor Rotor Rotation/ Gearbox Inspection Checklist	<u>22</u>
1/9/2014	Walk-Thru Area 9 - Tank #7418	<u>23</u>
1/16/2014	Walk-Thru Area 9 - Loading Rack	<u>23</u>

1/23/2014	Walk-Thru Area 4 - LSG Unit	<u>23</u>
1/30/2014	Walk-Thru Area 4 - 3 & 4 Plat formers	<u>23</u>
2/6/2014	Walk-Thru Area 9 - Dock #9	<u>23</u>
2/13/2014	Walk-Thru Area 9 - GBU	<u>23</u>
2/20/2014	Walk-Thru Area 7 - Coker Unit	<u>23</u>
2/27/2014	Walk-Thru Area 9 - Tank #7510	<u>23</u>
3/6/2014	Terminal Action Log: P & U ~ Powerhouse 1	<u>23</u> & <u>24</u>
3/13/2014	Walk-Thru Area 9 - Tank Field #3 (Tanks #6812, 6813, & 6814)	<u>23</u>
3/20/2014	Terminal Action Log: 1 & 2 SRU	<u>23</u> & <u>25</u>
3/27/2014	Walk-Thru Area 9 - Dock #3	<u>23</u>
4/3/2014	Walk-Thru Area 2	<u>23</u>
4/10/2014	Walk-Thru Area 6 - AWWT & Tetra	<u>23</u>
4/17/2014	Walk-Thru Fire Station, Primaisla, & Total Safety	<u>23</u>
4/24/2014	Cleanup Event: HOVENSA's Beach	<u>23</u>
5/1/2014	Equipment Preservation Checklist: West Refinery Areas 2 & 4, Coker and Area 8	<u>26</u>
5/1/2014	Walk-Thru Area 6 - FCC, Acid Plant, MTBE	<u>23</u>
5/6/2014	Critical Compressor Preservation Log - Reciprocating Compressors	<u>27</u>
5/6/2014	Critical Compressor Preservation Log - Centrifugal Compressors	<u>28</u>
5/8/2014	Walk-Thru Area 9 - Dry Cargo Dock	<u>23</u>
5/15/2014	Walk-Thru NRC Compound	<u>23</u>

5/19/2014	Anti-Cannibalization of Process Equipment: exception granted for GT-4 and GT-5	<u>29</u>
5/22/2014	Terminal Action Log: 3 & 4 SRU	<u>23</u> & <u>30</u>
5/29/2014	Walk-Thru Area 9 - #1 Manifold, Seven Seas, Spheres	<u>23</u>
6/5/2014	Walk-Thru Old CE Warehouse/West Fab Shop	<u>23</u>
6/12/2014	Centrifugal Compressor Rotor Rotation/ Gearbox Inspection Checklist	<u>31</u>
6/12/2014	Walk-Thru North HOVENSA Warehouse	<u>23</u>
6/19/2014	Walk-Thru Area 9 - Dock #2 Teague Bay	<u>23</u>
6/26/2014	Walk-Thru Multiple Areas (TK#6802, 6814, 7404, 7602, Tank Field #22, DK#3, TDU, QC Lab, and Truck Rack)	<u>23</u>
7/3/2014	Walk-Thru Multiple Areas (TK#7510, 6812, 7424, 7425, and DK#5)	<u>23</u>
7/10/2014	Walk-Thru Multiple Areas (TK# 6808, 6814, 3 Crude)	<u>23</u>
7/11/2014	Terminal Action Log: 3CDU / 1 Vac	<u>32</u>
7/24/2014	Walk-Thru Multiple Areas (TK# 6808, 7605, AWWT, Truck Rack, and East Utilities)	<u>23</u>
7/25/2014	OSBL Control Room Inspections	<u>33</u>
7/28/2014	OSBL Control Room Inspections	<u>34</u>
7/31/2014	Hurricane Preparedness Checklists	<u>23</u>
8/4/2014	OSBL Control Room and Idled Buildings Inspections	<u>35</u>
8/7/2014	Walk-Thru Multiple Areas (TK# 6808, 7404, and Bundle Wash)	<u>23</u>

8/14/2014	Walk-Thru Multiple Areas (DK#8, LPS Storage area north of DKDC, and Coker Unit)	<u>23</u>
8/21/2014	Walk-Thru Multiple Areas (VI Recycle Area and TDU)	<u>23</u>
8/28/2014	Walk-Thru Multiple Areas (TK# 7404 and Area 1)	<u>23</u>
9/4/2014	Walk-Thru Multiple Areas (Fire Station, Valve Shop, Primaisla, Central Maint., Autoclave)	<u>23</u>
9/11/2014	Walk-Thru Multiple Areas (#3 API & Lagoon, #7 Flare, and East NESHAPS)	<u>23</u>
9/25/2014	Walk-Thru Multiple Areas (CE, Terminal Ware House, Pinnacle Shop)	<u>23</u>
10/2/2014	Walk-Thru Multiple Areas (GBU, Tank Field #6, & Tank Field #7)	<u>23</u>
10/9/2014	Walk-Thru Multiple Areas (Old CE, West Fab Shop, SS#32 and Water Tanks, Training School)	<u>23</u>
10/13/2014	Centrifugal Compressor Rotor Rotation/ Gearbox Inspection Checklist	<u>36</u>
10/16/2014	Walk-Thru Multiple Areas (DKDC, Tug Dock, Sea Water Intake)	<u>23</u>
10/23/2014	Walk-Thru Multiple Areas (Rec. Hall, Tank Field #56 and #3 Manifold)	<u>23</u>
10/30/2014	Walk-Thru Multiple Areas (Batch Plant, Marine Compound, North Coke Dome)	<u>23</u>
11/6/2014	Walk-Thru Multiple Areas (East Maint. Bldg., Ice Plant & Insulation Bldg.)	<u>23</u>
11/13/2014	Walk-Thru East Power Utilities	<u>23</u>
11/20/2014	Walk-Thru TDU	<u>23</u>
12/4/2014	Walk-Thru Multiple Areas (Maint. Bldg., Valve Shop, EMP Bldg.)	<u>23</u>
12/5/2014	Critical Compressor Preservation Log - Reciprocating Compressors	<u>37</u>

12/11/2014	Critical Compressor Preservation Log - Centrifugal Compressors	<u>38</u>
12/11/2014	Walk-Thru Terminal Main Jetty	<u>23</u>
12/18/2014	Walk-Thru Loading Rack and Desal Water Tanks	<u>23</u>
1/8/2015	Centrifugal Compressor Rotor Rotation/ Gearbox Inspection Checklist	<u>39</u>
1/8/2015	Walk-Thru HOVENSA Admin. Bldg.	<u>40</u>
1/15/2015	Walk-Thru Old & New Bundle Wash Areas	<u>40</u>
1/22/2015	Terminal Action Log: Tank 6851, Penex Unit and #1 Powerhouse	<u>40</u> & <u>41</u>
1/29/2015	Walk-Thru Old Warehouse and Compound Area	<u>40</u>
2/5/2015	Walk-Thru AWWT	<u>40</u>
2/12/2015	Terminal Action Log: Area 3 & 4	<u>40</u> & <u>42</u>
2/19/2015	Walk-Thru CE, Pinnacle Shop, and Terminal Warehouse	<u>40</u>
2/26/2015	Walk-Thru DK #1 Tug Boat Tour	<u>40</u>
3/5/2015	Walk-Thru Gasoline Blender (GBU)	<u>40</u>
3/5/2015	Equipment Preservation Checklist: West Refinery Areas 2 & 4, Coker, and Area 8	<u>43</u>
3/6/2015	Walk-Thru New QC Lab	<u>40</u>
3/20/2015	Walk-Thru Dry Cargo Dock (DKDC)	<u>40</u>
3/27/2015	Walk-Thru Container Storage Area (CSA)	<u>40</u>
4/3/2015	Walk-Thru NRC Compound	<u>40</u>
4/10/2015	Walk-Thru DCS, Safety/Environ./Auto Garage/Total Safety	<u>40</u>

4/16/2015	Walk-Thru VI Recycle Compound	<u>40</u>
4/22/2015	Earth Day Cleanup Activity – HOVENSA Beach	<u>40</u>
5/7/2015	Walk-Thru Coker	<u>40</u>
5/14/2015	Walk-Thru Marine Compound & Tug Dock	<u>40</u>
5/28/2015	Walk-Thru 6 Sour Water Stripper	<u>40</u>
6/4/2015	Walk-Thru Power Utilities	<u>40</u>
6/11/2015	Walk-Thru Refrigerated LPG Storage Unit	<u>40</u>
6/18/2015	Walk-Thru Main Jetty	<u>40</u>
7/2/2015	Walk-Thru Spheres Tank Field & Seven Seas Unit	<u>40</u>
7/9/2015	Walk-Thru #3 API, Benzene Stripper, Old Vac Truck Comp.	<u>40</u>
7/16/2015	Walk-Thru Loading Rack	<u>40</u>
7/23/2015	Walk-Thru Coker Domes	<u>40</u>
7/25/2015	Walk-Thru Central Maint. Bldg.	<u>40</u>
7/30/2015	Walk-Thru Dry Cargo Dock (DKDC) & RO/RO	<u>40</u>
8/6/15	Walk-Thru CE & Pinnacle Shop	<u>40</u>
8/15/15	Walk-Thru BTX Cargo Manifold and Tank Field #20 & 20A	<u>40</u>
9/3/2015	Walk-Thru T/A Bldg., Car Wash, Fuel Pump Station, & Auto Garage	<u>40</u>
9/10/2015	Walk-Thru SCPC Office Building near west fence line	<u>40</u>
9/24/2015	Walk-Thru Dock Road	<u>40</u>
10/1/2015	Walk-Thru East & West Tank Field #59	<u>40</u>
10/22/2015	Walk-Thru Tank Field #60	<u>40</u>

11/5/2015	Walk-Thru HOV. Warehouse, Fire Station, Drum Comp., Total Safety	<u>40</u>
11/12/2015	Walk-Thru HOVENSA Admin. Bldg.	<u>40</u>
11/19/2015	Walk-Thru East Power Utilities	<u>40</u>
12/3/2015	Walk-Thru Advanced Waste Water Treatment	<u>40</u>
12/10/2015	Walk-Thru Quality Control Laboratory	<u>40</u>
12/17/2015	Walk-Thru East & West Tank Field #56	<u>40</u>
12/24/2015	Walk-Thru Marine/Terminal Building	<u>40</u>
1/7/2016	Walk-Thru Dry Cargo Dock & Coker Dome #1	<u>44</u>
1/14/2016	Walk-Thru Truck Loading Rack	<u>44</u>
1/21/2016	Walk-Thru Area 3	<u>44</u>
1/28/2016	Walk-Thru Area 5 - FCC	<u>44</u>
1/28/2016	Terminal Action Log: Area 5 FCC	<u>45</u>
2/4/2016	Walk-Thru Area 6 - API # 1	<u>44</u>
2/11/2016	Walk-Thru East Refinery Maint. & Other Bldgs.	<u>44</u>
2/18/2016	Walk-Thru Area 9 - Spheres Tank Field	<u>44</u>
2/24/2016	LBT retains contractor to “assess potential for restreaming all or portions of recently purchased St. Croix Refinery . . . .”	n/a
2/25/2016	Walk-Thru Area 9 - Tank 7401	<u>44</u>
3/3/2016	Walk-Thru Area 9 - Tank Field between Tks. 7421-7439	<u>44</u>
3/10/2016	Walk-Thru East Fab Shop & Ice Plant	<u>44</u>
3/17/2016	Walk-Thru Area 9 Pipeline East of Terminal Bldg.	<u>44</u>

3/24/2016	Walk-Thru Area 9 Tank Field #8 Tanks 6804 & 6806	<u>44</u>
3/31/2016	Walk-Thru Area 9 Tank Field #59 Tank 7510	<u>44</u>
4/7/2016	Walk-Thru Area 9 - Truck Rack/Loading Rack	<u>44</u>
4/14/2016	Walk-Thru Terminal - Dock 3	<u>44</u>
4/21/2016	Walk-Thru Terminal - East Jetty	<u>44</u>
4/28/2016	Walk-Thru Marine Compound	<u>44</u>
5/5/2016	Walk-Thru Terminal - Dock 8	<u>44</u>
5/12/2016	Walk-Thru Area 8 - East Power Utilities	<u>44</u>
5/19/2016	Walk-Thru Area 9 - Tank 7404	<u>44</u>
5/26/2016	Walk-Thru Valve Shop & Autoclave	<u>44</u>
6/9/2016	Walk-Thru HOVENSA Warehouse & Drum Compound	<u>44</u>
6/16/2016	Walk-Thru Gasoline Blending Unit	<u>44</u>
6/23/2016	Annual Drill Exercise; Response Teams Activated	<u>44</u>
6/30/2016	Walk-Thru Area 6 - AWWT	<u>44</u>
7/7/2016	Walk-Thru Area 6 - Bundle Wash & ORS	<u>44</u>
7/14/2016	Walk-Thru Area 9 - Tank Field #56	<u>44</u>
7/28/2016	Walk-Thru CE, Pinnacle Shop, & Terminal Warehouse	<u>44</u>
8/4/2016	Walk-Thru Terminal - Dock 3 & Dock 4	<u>44</u>
8/11/2016	Walk-Thru Area 4 - 4 Plat & 7 DD	<u>44</u>
8/18/2016	Walk-Thru Terminal - Dock 9	<u>44</u>
8/23/2016	East Refinery Selected Units Restart Phase I Report completed	
8/25/2016	Walk-Thru Former HOVENSA Admin. Bldg.	<u>44</u>

9/8/2016	Walk-Thru Terminal - Main Jetty	<u>44</u>
9/15/2016	Walk-Thru East Spheres & West of AWWT	<u>44</u>
9/22/2016	Walk-Thru Terminal - Loading Rack	<u>44</u>
9/29/2016	Walk-Thru Area 9 - Tank Field 59 (Tanks 7510 & 7513)	<u>44</u>
10/6/2016	Walk-Thru Quality Control Laboratory (QC Lab)	<u>44</u>
10/13/2016	Walk-Thru Area 6 - #7 Flare & S.W.S. Limits	<u>44</u>
10/20/2016	Walk-Thru Area 9 - Gasoline Blending Unit	<u>44</u>
10/24/2016	Walk-Thru Area 6 - #1 API and CSA	<u>44</u>
11/8/2016	Status update on study of equipment for refinery restart including #4 platformer/hydrobon, #7 distillate hydrotreater, and auxiliary units.	n/a
11/10/2016	Walk-Thru Terminal Dock 3 & Dock 4	<u>44</u>
11/17/2016	Walk-Thru HOVENSA Warehouse & Drum Compound	<u>44</u>
12/1/2016	Case 5 Select Units Restart Phase I Screening Evaluation completed	n/a
12/8/2016	Walk-Thru Terminal DKDC, RO/RO, & Sea Water Intake	<u>44</u>
3/16/2017	Leadership Walkthrough Action Log - Area 9 - Tank 6813	<u>46</u>
3/20/2017	Coker Restart Phase I Screening Evaluation completed	
10/18/2017	Hot Work Permit: Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for Lt. Ends Treating and 5 & 6 CDU	<u>47</u>
10/19/2017	Hot Work Permit: Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for 5CDU, 3Vac, East Units, Coker and #2API	<u>48</u>
10/20/2017	Hot Work Permit: Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for 5 & 6CDU, LPG Frac. and establish survey control lines for East Side of Refinery	<u>49</u>

11/3/2017	Hot Work Permit: Removal of insulation, Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for 4DD, 2Vac, 2Vis, Naphtha Frac. 2Plat, 5DD, 1GRU, Deiso., 2DU Frac., Penex, 3CDU/1Vac, 3Vac, East LPG Treater; #6, 7, 9 DD, 3 & 4 Plat, 2 GRU, 5CDU	<u>50</u>
11/4/2017	Hot Work Permit: Removal of insulation, Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for 5CDU, Coker, 3Vac, #3, 4, 5 SWS, 3 & 4 SRUs, #6 & 7 Amine units, 3 API, East NESHAPS, 4DD, Naphtha Frac., 2Vac, 2Vis, 2Plat, 5DD, 1GRU, Deiso.	<u>51</u>
11/12/2017	Hot Work Permit: Internal compressor inspections and Removal of insulation and debris - Work Permits and related entry logs and job safety analysis for Coker Compressor, 3DD, Penex, 4DD, 2Vac, 2Vis	<u>52</u>
12/5/2017	Hot Work Permit: Removal of insulation and debris, Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for 3 & 4 SRUs, FCC, Tk 4726, 2 & 4 DD, Coker, #6, 7, 9DD, 3 & 4 Plat, 5 & 6 CDU, HP Treater and 2GRU	<u>53</u>
12/15/2017	Hot Work Permit: Removal of insulation and debris, Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for FCC, Coker, pipe rack from FCC Merox to East flares, 4Plat	<u>54</u>
1/18/2018	Interoffice Correspondence re #5 Crude Unit T-3101 Thickness Readings	<u>55</u>